GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:129
ANSWERED ON:18.02.2003
REQUIREMENT OF UREA
PRABHA RAU

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government have assessed the requirement of urea for the next two years in the country;

(b) if so, the details thereof, State-wise;

(c) the extent to which the demand of urea is to be met by indigenous production and through imports;

(d) whether the prices of urea in the international market have shown increasing trend during the past few months;

(e) if so, the additional amount the Government have to spend on import of urea during the current financial year and during the next year; and

(f) the steps being taken to increase the indigenous production?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. CHHATTRA PAL SINGH)

(a) & (b): The requirement of urea is assessed for each State/ UTs for each crop season of Kharif and Rabi before the commencement of the season. The requirement of urea for the ensuing Kharif 2003 season (1st April to 30th September) has been assessed at 106.30 lakh MTs. The State-wise requirement of urea is Annexed. Assessment of urea is not made two years in advance. However, the Working Group on fertilisers for the tenth plan has worked out the demand forecast for urea from 2002-03 to 2006-2007. The demand forecast of urea for the years 2003-2004 and 2004-2005 has been made at 221.18 and 228.10 lakh MTs respectively but this forecast seems to be on higher side in view of the current trend of sales of urea.

(c): The production of urea during Kharif 2003 is estimated at about 96 lakh MTs. The opening stock of urea as on 1.4.2003 is estimated at about 14 lakh MTs. Thus, the total availability of 110 LMTs indigenous urea would be sufficient to meet the entire requirement during Kharif 2003 season.

(d) & (e): Yes, Sir. The country has not imported any urea during the current year 2002-03 till date. It is too early to project import requirement of urea for 2003-2004 as it depends mainly on the weather conditions, the actual production and sale trend of urea during the year.

(f): Urea manufacturing units are facing problems mainly on two accounts for matching the production with their installed capacity . First, limitation in availability of natural gas specially for gas based urea plants such as Rashtriya Chemicals & Fertilisers Ltd.−Thal and KRIBHCO-Hazira and second, frequent shut down/break down of old-vintage plants. The Department of Fertilizer is pursuing with Ministry of Petroleum and Natural Gas to make available adequate and qualitative gas to fertilizer plants. Besides, fertilisers companies are taking steps for long term tie-up with prospective suppliers of LNG and/or natural gas to overcome constraints in the domestic availability of gas. Many urea units including those of PSUs have also installed dual fuel facility of naphtha for supplementing alternate feed. Capital additions are being recognized under Retention-Cum-Price Subsidy Scheme (RPS) so as to encourage these units to undertake investment for improving their efficiency by expansion/ retrofitting / revamping of existing plants to overcome equipment breakdown etc.

ANNEXURE

Statement referred to in reply to part(a) of Lok Sabha Unstarred Question No.129
STATE/UNION TERRITORY-WISE ASSESED REQUIREMENT OF UREA FOR KHARIF 2003 SEASON

(000 tonnes)

SL.NO.	STATE	ASSESED REQUIREMENT
1	ANDHRA PRADESH	1050.00
2	KARNATAKA	640.00
3	KERALA	65.00
4	TAMILNADU	325.00
5	PONDICHERRY	11.00
6	ANDAMAN & NICOBAR	0.50
7	GUJARAT	500.00
8	MADHYA PRADESH	350.00
9	CHHATTISGARH	300.00
10	MAHARASHTRA	1050.00
11	RAJASTHAN	375.00
12	GOA	1.50
13	DAMAN & DIU	0.50
14	DADAR & NAGAR HAV	0.90
15	HARYANA	570.00
16	PUNJAB	1100.00
17	UTTAR PRADESH	2400.00
18	UTTRANCHAL	102.00
19	HIMACHAL PRADESH	32.00
20	JAMMU & KASHMIR	60.00
21	DELHI	2.00
22	CHANDIGARH	0.02
23	BIHAR	660.00
24	JHARKHAND	100.00
25	ORISSA	320.00
26	WEST BENGAL	470.00
27	ASSAM	90.00
28	TRIPURA	13.00
29	MANIPUR	37.00
30	MEGHALYA	3.00
31	NAGALAND	0.20
32	ARUNACHAL PRADESH	0.45
33	SIKKIM	0.85
34	MIZORAM	0.50
	ALL INDIA	10630.42